This course will explore the main determinants of Spanish economic growth and convergence since the 1980s, placing an emphasis on the country’s specificities. Economic structure, firms productivity or labor market particularities—among others—will be reviewed to understand the Spanish Economy. We will also explore sociological trends and some institutional structures related to economic productivity and output (e.g. healthcare system, public policy or innovation system). Spain’s membership to the Euro currency area is fundamental in understanding the economy’s development and assessing its prospects. Euro membership facilitated an economic boom, but the country’s net international trade position deteriorated considerably, and the economy became heavily dependent on foreign financial inflows, including borrowing from the European Central Bank (ECB). We will study the implications of euro membership in times of crisis and explore how Spain is adapting to challenges posed.

Learning Objectives

By completing this course, students will:

- Evaluate a given economy and assess it in the international context.
- Discriminate the relevance of the main magnitudes of a given economy and in particular those referred to Spain.
- Value the problems that European economies (and Spain in particular) have faced in recent stages of development and evaluate the different solutions that scholars and policymakers have proposed.
- Discriminate the advantages and disadvantages that the accession to the European Union and the adoption of the Euro had for the Spanish Economy (and other countries).

Course Prerequisites

3 semesters of college-level micro- or macroeconomics. 1 semester of calculus recommended.

Methods of Instruction

The course will consist of lectures, class discussion, student presentations and class dynamics (sub-group discussions, seminars, etc.) that can be useful for better understanding of the contents of the course. Reading material will be referenced on daily basis (mainly small articles, newspaper notes and blog entries) and on weekly basis (book chapters or research papers).

Assessment and Final Grade

1. Midterm 20%
2. Final Exam 20%
3. Exercises & Activities 15%
4. Final Project (Paper & Presentation) 25%
5. Class Participation 20%
TOTAL 100%

Course Requirements

Midterm

Final Exam
Both exams will consist of open questions to be developed. Notes from the class and printed material can be used but no internet connection will be permitted. The midterm exam will cover the first part of the syllabus and the final exam will cover the rest of it (see schedule below).

**Exercises & Activities**

Exercises and activities are of two kinds: 1) discussion material is provided in class together with some lines of discussion, you’ll have to submit the results of the discussion individually, regardless if the activity was done in small or big groups; 2) practical exercises of the topic discussed in class, you can discuss the way to solve them in groups or with the professor, also, answers must be submitted individually.

**Final Project (Paper & Presentation)**

The final project consists of a final paper of 2000 words and a small presentation (around 8 minutes). The structure of the paper will be discussed in the first classes and different check points during the course will help you to advance in the elaboration of it. The paper must be delivered before the last day of class and after the presentation (see section below). Acceptable topics for the final paper will be discussed in the first weeks of class (Spanish economy topics, European Union Economy topics, specific industries studies or comparative exercises are some of the possibilities).

In the last classes of the course you’ll have to present your final paper in around 8-10 minutes. The format of the presentation is a seminar, where the presenter delivers the highlights of his/her paper (motivation, question, arguments and conclusions), and the rest of the group makes observations, questions and suggestions to help the presenter to improve the final version of his/her work.

**Class Participation**

All students must participate in class discussions and ask relevant questions relative to the topic discussed in class. A proactive attitude in class dynamics is also important. Being present in class is not enough; sharing your opinions, doubts and clarifications about readings, lectures and other class materials is a way to score in participation.

**Attendance**

Regular class attendance is required throughout the program, and all absences will result in a lower participation grade for any affected CIEE course. Due to the intensive schedules for short-term programs, absences that constitute more than 10% of the total course will result in a written warning.

Students who transfer from one CIEE class to another during the add/drop period will not be considered absent from the first session(s) of their new class, provided they were marked present for the first session(s) of their original class. Otherwise, the absence(s) from the original class carry over to the new class and count against the grade in that class.

For CIEE classes, excessively tardy (over 15 minutes late) students must be marked absent. Attendance policies also apply to any required co-curricular class excursion or event, as well as to Internship, Service Learning, or required field placement. Students who miss class for personal travel, including unforeseen delays that arise as a result of personal travel, will be marked as absent. No make-up or re-sit opportunity will be provided.

Attendance policies also apply to any required class excursion, with the exception that some class excursions cannot accommodate any tardiness, and students risk being marked as absent if they fail to be present at the appointed time.

Absences will lead to the following penalties:

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*N.B. Course schedule is subject to change due to study tours, excursions, or local holidays. Final schedules will be included in the final syllabus provided to students on site.*

**Weekly Schedule**

**Week 1**

Class: 1.1 Introduction

Introductions to class
Presentation of the course, methods to be used, contents of the course, groups setting and explaining what is expected from the students’ presentation and the essay.

Class:  1.2

Introduction to Spanish Economy

Exposing first definitions of the courses, unit of study (what should we understand when we hear the word “Spain” and what a modern economy is?)

**Readings:** “A dictionary of Spanish History and Culture”, pp 1-3

**Activity 1: Autarky**

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**Week 2**

Class:  2.1 Economic History of Spain

“Spain is different”, brief history of Spain and how certain history facts conditioned the economic development of Spain.

**Reading:** Preston (1986: Chapter 10).

**Due:** Submission of activity 1 “Autarky”

Class:  2.2

Synchronizing with Europe: Democracy and joining the European club.

**Activity 2:** Documentary, After God Muñoz.

**Due:** final paper topic

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**Week 3**

Class:  3.1 European Integration

European Integration: From the post WWII to the European Union.

Class:  3.2

Different theories used to explain the EU: Institutionalism, Market integration, Custom Union, etc.

**Activity 3: Illiteracy and Capitalism**

**Readings:** Weber (2001: 3-13).

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**Week 4**

Class:  4.1 Economics of European Integration

The Economics of European Integration: Comparison with other models (multilateral trade liberalization).


Class:  4.2

Demand and supply of import and export. Barriers to trade.

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**Week 5**

Class:  5.1 Reforms in Spanish Economy

“The good fellow”: from the entry to the EU to the setting of the Maastricht treaty (monetary union).

Class:  5.2
5.2 Social reforms needed to apply for the EU.

Readings: Tsebelis (2001)

Activity 4: Supranationalism and Intergovernmentalism

Week 6
Class: 6.1 Believes Before the Euro
Spanish crisis before the Euro.

Class: 6.2
What it was said before the creation of the Euro: Reasons of supporters and those against.

Week 7
Class: 7.1 Review and Final Paper Structure
Short review and Presentation of the second part of the course.

Class: 7.2

Mid-Term
Due: Final paper general structure

Week 8
Class: 8.1 Case Study, Crisis in Spain and Europe
2008-2013 Crisis in Spain and Europe. Multinational causes and local actions.

Class: 8.2
Consequences and proposed solutions: Monetary constrains and alternatives.

Week 9
Class: 9.1 Integration Fosters Growth Hypothesis
Economic growth in Spain and Europe. Fragmented markets versus integrated ones.
Reading: Baldwin and Wyplosz (2009: Chapter 7)

Class: 9.2
Effects of integration on efficiency. Economies of scale. Defragmentation of markets.
Material: Documentary, The Great Euro Crisis

Activity 5: Group activity on the Euro

Week 10
Class: 10.1 Spanish Labor Markets
Spanish labor market: unemployment in Spain and by communities.

Class: 10.2
Mobility of labor in Spain and Europe. Supply and Demand of Labor.

Week 11
Class: 11.1 Income Distribution
Income distribution: Personal, functional and industrial distribution of income. The space perspective on income distribution.

Regional inequalities. Good and bad of Tourism specialization in the Spanish Economy.

**Week 12**

**Class: 12.1 Reforms on the European Economy**

European policies: common fiscal policy, Banking Union, Other proposals to cope with crisis.


**Class: 12.2**

Short individual presentations

**Reading:** Baldwin and Wyplosz (2009: Chapter 15) or Krugman, Paul et al (2015: Chapter 20).

**Activity 6: The Euro and the Optimal Currency Areas**

**Week 13**

**Class: 13.1 Public Sector Economics**

The Spanish way on public sector economics: Comparison between southern European and other Session European models. Pension system and its crisis (world trend and specific issues), European public reform. Short individual presentations

**Class: 13.2 Final Exam**

**Course Materials**

**Readings**

"A dictionary of Spanish History and Culture" on Iberian Nature: A guide to the environment, climate, wildlife, geography and nature of Spain, Electronic resource.


Giugliano, Ferdinando, (2017) For Europe, There are no Shortcuts to Fiscal Union, Bloomberg.


**Bibliography**


**Online Resources**

Journals, newspapers and related
http://www.economist.com/topics/spanish-economy
http://www.ft.com/intl/topics/places/Spain
http://topics.nytimes.com/top/news/international/countriesandterritories/spain/

Databases and statistics